



CONTINUING EDUCATION INFORMATION

RE 250 (Rev. 10/07)

INTRODUCTION

All license renewal applicants must prove compliance with the Business and Professions Code (Real Estate Law) and Commissioner's Regulations pertaining to continuing education (CE) requirements. Except for the first renewal of a real estate salesperson, all renewal applicants must satisfactorily complete a total of 45 clock-hours of approved offerings, including the specific subjects shown below, within the four-year period immediately preceding license renewal. The requirements must also be met for each subsequent renewal of the license.

COURSE REQUIREMENTS

Real Estate Salesperson (first renewal only)

Not required to complete the full 45 hours of approved continuing education. Must complete:

- A three-hour course in *Ethics*
- A three-hour course in *Agency*
- A three-hour course in *Fair Housing*
- A three-hour course in *Trust Fund Handling*
- A three-hour course in *Risk Management*

Real Estate Broker (first renewal only)

Must complete a total of 45 clock-hours of approved continuing education courses which includes:

- Five separate three-hour courses in the following subjects: *Ethics, Agency, Fair Housing, Trust Fund Handling, and Risk Management*
- A minimum of 18 clock hours of consumer protection courses; and
- The remaining clock hours required to complete the 45 hours of continuing education may be related to either consumer service or consumer protection courses.

Real Estate Salesperson and Brokers (who have previously renewed)

Second & Subsequent Renewals

Must complete a total of 45 hours of approved continuing education courses which includes:

- **EITHER** 12 hours of continuing education courses in the following subjects: (*Ethics, Agency, Trust Fund Handling, and Fair Housing*) **OR** one six-hour course that covers the four mandatory subjects (*Ethics, Agency, Trust Fund Handling, and Fair Housing*)
- One three-hour course in *Risk Management*
- At least 18 clock hours of consumer protection courses; and

- The remaining clock hours required to complete the 45 hours of continuing education may be related to either consumer service or consumer protection courses.

Renewal License Effective On or After 7/1/2011

Must complete a total of 45 hours of approved continuing education courses which includes:

- One *eight-hour* course that covers the five mandatory subjects (*Ethics, Agency, Trust Fund Handling, Fair Housing and Risk Management*)
- At least 18 clock hours of consumer protection courses; and
- The remaining clock hours required to complete the 45 hours of continuing education may be related to either consumer service or consumer protection courses.

TESTING

Real Estate Law provides that all correspondence type CE offerings will require the successful completion of an appropriate form of testing, examination or evaluation in order for the licensee to receive credit.

CERTIFICATE OF ATTENDANCE

Upon successful completion of an offering, the offering entity [Department of Real Estate (DRE) approved sponsor] is required to furnish the participant with either an *exam failure notice* or a *certificate of completion*. Evidence of the successful completion of an offering must then be listed on a Continuing Education Course Verification (RE 251) (provided by the DRE) and be submitted with the application for renewal of a license. Renewal applications are to be filed no earlier than 90 days prior to the expiration of a license.

EXCLUSION FROM CE REQUIREMENT

The only exemption to the CE requirement is for those individuals who have been a licensee in good standing for 30 continuous years in this State and who are 70 years of age or older.

GENERAL QUESTIONS AND ANSWERS

The following series of questions and answers are provided to help you better understand the CE program and its requirements.

1. Q. It is my understanding that Section 10170.5 of the Business and Professions Code was amended and that, effective July 1, 2007, the continuing education course requirements

Continued on page 2

change based on how many times you've renewed your license. Who will be affected by this new law?

- A. The law affects all real estate salespersons and brokers who have a renewal effective date on or after July 1, 2007. This includes existing licensees as well as all individuals who initially obtain a real estate license on or after July 1, 2007.
2. Q. How did the renewal requirements for a real estate salesperson who is renewing for the first time change after July 1, 2007?
 - A. The requirements for a real estate salesperson who is renewing for the first time are different from the renewal requirements for all other real estate licensees. Due to the fact that real estate salespersons are required to initially qualify for licensure by submitting evidence of completing courses in *Real Estate Principles*, *Real Estate Practice*, and one additional college-level course, these individuals are not required to complete the full 45 hours of continuing education for their first renewal. A real estate salesperson who is renewing for the first time effective on or after 7/1/07, must complete three-hour courses in each of the following areas *Agency*, *Ethics*, *Trust Fund Handling*, *Fair Housing*, and *Risk Management* in order to qualify for renewal.
3. Q. What are the initial renewal requirements for real estate brokers?
 - A. All real estate broker licensees are required to complete a full 45 hours of continuing education for each license renewal. For the initial renewal, the law requires, as part of the 45 hours of continuing education, completion of: five three-hour courses in *Agency*, *Ethics*, *Trust Fund Handling*, *Fair Housing*, and *Risk Management*. These licensees are also required to complete a minimum of 18 hours of courses related to *consumer protection*. The remaining hours required to complete the 45 hours of continuing education may be related to either *consumer service* or *consumer protection*, at the option of the licensee.
4. Q. What are the renewal requirements be for licensees who renew for the second or subsequent time after July 1, 2007?
 - A. All licensees, when renewing for the SECOND and all SUBSEQUENT renewals on or after July 1, 2007, are required to complete, as part of the 45 hours of continuing education: **EITHER** 12 hours of continuing education hours in *Ethics*, *Agency*, *Trust Fund Handling*, and *Fair Housing* **OR** One six-hour course that covers the four mandatory subjects (*Ethics*, *Agency*, *Trust Fund Handling*, and *Fair Housing*); One three-hour course in *Risk Management*; At least 18 clock hours of consumer protection courses; and the remaining clock hours required to complete the 45 hours of continuing education may be related to either consumer service or consumer protection courses.
5. Q. What will the renewal requirements be for licensees who renew for the second or subsequent time after July 1, 2011?

- A. All licensees, when renewing for the SECOND and all SUBSEQUENT renewals on or after July 1, 2011, will be required to complete, as part of the 45 hours of continuing education: one eight-hour course that covers the five mandatory subjects (*Agency*, *Ethics*, *Trust Fund Handling*, *Fair Housing*, and *Risk Management*); at least 18 clock hours of consumer protection courses; and the remaining hours required to complete the 45 hours of continuing education may be related to either consumer service or consumer protection, at the option of the licensee.
6. Q. I only hold an officer license, what CE do I need to complete to renew my license?
 - A. You would be subject to the same requirements as a real estate broker. For any renewal you would be required to complete 45 hours of CE. If this is the FIRST renewal of your officer license, you must complete the five individual three-hour courses in *Agency*, *Ethics*, *Trust Fund Handling*, and *Fair Housing*, and *Risk Management*; at least 18 clock hours of *consumer protection* courses; and the remaining hours required to complete the 45 hours of continuing education may be related to either consumer service or consumer protection, at the option of the licensee.

For your SECOND or SUBSEQUENT renewals, please refer to items #4 and #5 .
7. Q. I hold an officer license as well as my broker license, do I need to complete CE to renew both licenses?
 - A. As long as you maintain a current individual broker license in addition to an officer license, you will not need to submit proof of completing CE to renew your officer license.
8. Q. When do I take the *eight-hour survey* course vs. the five separate courses in *Agency*, *Ethics*, *Trust Fund Handling*, *Fair Housing*, and *Risk Management*?
 - A. For the **first** renewal of a license, all licensees must complete the five individual three-hour courses in *Agency*, *Ethics*, *Trust Fund Handling*, *Fair Housing*, and *Risk Management*. In addition, all licensees, except salespersons renewing for the first time, must complete 30 additional hours of approved CE, of which at least 18 hours must be in the *consumer protection* category.

For a licensee's *second and all subsequent* renewals on or after July 1, 2011, as part of the 45-hour CE requirement, a licensee will need to complete an *eight-hour survey* course. The eight-hour course will provide the licensee with an update and summary covering the five required topics of agency, ethics, trust fund handling, fair housing and risk management.
9. Q. Instead of taking the *eight-hour survey* course, can I just complete the five individual courses in *Agency*, *Ethics*, *Trust Fund Handling*, *Fair Housing*, and *Risk Management*?
 - A. Yes. If a licensee chooses to complete the five individual

Continued on page 3

- courses in lieu of the *eight-hour survey* course, they will be accepted toward the licensee's renewal requirement. However, you must complete all five of the required courses.
10. Q. Are pre-license required college level courses (i.e., *Real Estate Principles, Real Estate Practice, Legal Aspects of Real Estate*, etc.) acceptable for fulfilling CE requirements?
- A. Pre-license courses taken to satisfy statutory course requirements can not be used to fulfill CE requirements.
11. Q. If I renew my license late, what date is used to determine if my completed classes were within the four-year period, the actual renewal date or the earlier date of license expiration?
- A. The actual date the license is renewed is used in determining if CE requirements have been met. All classes must have been completed within four years of the actual date the license is renewed. Course credit expires four years from the course completion date.
12. Q. What date is used to determine the *completion date* of a correspondence course, the date the final exam is taken, the date the sponsor grades my exam, or is there some other criteria?
- A. The *completion date* is the date the final exam is successfully completed (taken). It is not necessarily the date the sponsor grades or issues the certificate of completion, unless of course this is done the same day the exam is completed (taken).
13. Q. It is time to renew my license and I have to let DRE know I've completed CE requirements. What do I do?
- A. The license renewal applicant must submit, on a form prescribed by DRE, specific information to establish that he or she has satisfied CE requirements. The form, a Continuing Education Course Verification (RE 251), will be furnished to you by DRE with your license renewal application, which is sent as a courtesy only. If you renew online using *eLicensing* you will be asked to enter the course completion information similar to the format of the RE 251.
14. Q. Once I complete a CE course, who keeps record of my credit? Does the course sponsor report it to DRE?
- A. The CE course the sponsor is required to provide a completion certificate to the licensee. This certificate should be retained by the licensee in a safe place for future use when completing a license renewal application. It should *not* be sent to DRE unless specifically requested to do so. DRE does not keep a file of completion certificates or maintain an ongoing account of credits earned by licensees.
15. Q. I've lost or misplaced my continuing education attendance certificates. How may I obtain duplicates?
- A. It is the responsibility of all DRE approved sponsors to maintain CE offering records for a period of five years from the date of the offering. DRE does not have or keep such records. You should contact the sponsor and obtain a duplicate copy/copies. *You may be charged a fee for the duplicate(s)*. It is strongly suggested that duplicate copies of completion certificates be made when first received. Copies should then be placed with other important papers for future use in the event the sponsor is no longer in business at the time your renewal is due. If you have difficulty locating the sponsor, DRE's Education Section will be able to furnish the sponsor's last known address of record to you.
16. Q. Recently, I passed the salesperson examination and have submitted my license application and fee to DRE. I have not yet received the license, but would like to attend a CE seminar being offered in my area. Will the credit I earn from attending the seminar count toward the next renewal of my license?
- A. CE credit must be earned within the four-year period immediately preceding the renewal of a license. Since you have not yet received your license, you cannot be sure the effective date of this license will be prior to the CE offering you wish to attend. It would be wise to wait until you have actually received your license or verify online that it has been issued before attending a CE offering, if you wish to use the credit for renewal.
17. Q. I am enrolled in a *correspondence course*. When I have completed all the required assignments, may I name or suggest to the sponsor who I wish to administer (monitor) the final exam?
- A. Yes. Sponsors who arrange for testing to be conducted at a location other than their (sponsor's) place of business, or by someone other than themselves, may allow the licensee to suggest an individual that meets certain criteria to proctor the final examination, however the sponsor makes the final selection. Final exams may not be sent to the licensee or returned by the licensee. When the final exam is monitored by someone other than the sponsor, only the monitor may receive and return the exam.
18. Q. Are *live* review type sessions allowed as part of an approved correspondence offering?
- A. Yes. Although correspondence courses are designed to be *home-study* type courses, a sponsor may offer a lecture type review session prior to a student completing the final examination. The final examination may also be conducted in a classroom setting.
19. Q. Are final exams for continuing education correspondence courses "open" or "closed" book?
- A. Either. Commissioner's Regulation 3007.3 was amended effective December 27, 1996 to allow for an open book examination. It is up to the course sponsor whether the examination is open or closed book.
20. Q. Does DRE ever monitor CE offerings? If so, how many people actually do the monitoring?

Continued on page 4

- A. In addition to DRE's own course monitoring program, we have the help of many interested and concerned licensees who furnish *voluntary information* that helps the DRE enforce CE regulations and improve attendance control and exam procedures of the offerors.

Sponsors of approved CE offerings are required to maintain records evidencing that participants who receive certificates of credit actually attended 90% or more of the entire offering. These records generally consist of *sign-in/sign-out* sheets showing the amount of time the participants have actually been absent from the offering program. If the records indicate more than the allotted time for absenteeism, the sponsor is prohibited by law and regulation from awarding credit for the offering.

Experience to date has shown that most CE sponsors are enforcing the attendance requirements. However, violations by some sponsors have resulted in formal disciplinary action by DRE.

Both licensees attending CE offerings and sponsors thereof are encouraged to contact DRE's Education Section if falsifying of records is observed or should a lack of proper attendance control be evident.

When reporting such information, a full explanation of the problem should be submitted, with names and addresses of persons involved, name of CE sponsor, name of CE program and certificate number, date and place of program and reporting licensee's name, address, and telephone number.

Information should be sent to the DRE's Education Section at the address listed below in the "Additional Questions" section. The name of the individual submitting the information is not required but is encouraged, should DRE require additional information in its investigation of the alleged violation.

21. Q. How may I find out who the CE sponsors are who have offerings that are currently approved for CE credit?
- A. A list of approved sponsors and their offerings is available on-line at **dre.ca.gov**.

ADDITIONAL QUESTIONS

If you have any questions regarding continuing education requirements, you may contact:

Department of Real Estate
Licensing Information Section
P.O. Box 187000
Sacramento, CA 95818-7000
(916) 227-0931